



# MICROFINANCE DEVELOPMENT CREDIT AUTHORITY FACT SHEET

## WHAT IS THE MICROFINANCE DEVELOPMENT CREDIT AUTHORITY PROJECT?

The Microfinance Development Credit Authority (DCA) is a 15-year loan portfolio guaranty that supports microenterprises or individuals in sectors that need access to working capital and investment loans to start or expand their operations. It also supports individuals seeking loans for educational and workforce development opportunities. The guaranty enables the microfinance institutions to lend to individuals who currently are unable to access credit. With the DCA, USAID mobilizes private financing for targeted borrowers that contribute to USAID North Macedonia's overall goal of sustained economic growth and employment generation. USAID signed a guaranty agreement with two microfinance organizations, Savings House FULM and Savings House Moznosti, USAID legacy institutions. The guaranty covers 50 percent and is activated in case of a defaulted loan. The savings houses issue microfinance loans for startups, micro, small, and medium enterprises that demonstrate the potential to contribute to the growth of North Macedonia's economy.

## WHAT HAS BEEN ACCOMPLISHED?

Over the life of the guaranty, the two microfinance organizations have issued 1,540 loans, reaching full utilization of the guaranty in the amount of \$5 million.